



Board of Trustees

Audit Committee

April 30, 2020

Minutes

Meeting held virtually via Zoom

In accordance with Massachusetts Gov. Charlie Baker's Executive Order Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A, § 20 dated March 12, 2020.

A live stream of the meeting for public viewing also took place on YouTube.

MEMBERS PARTICIPATING REMOTELY: Committee Chair Boudreau, Vice Chair Landrau, Secretary Martinez-Alvarez, and Trustees Alvarado and Martin

TRUSTEE GUESTS PARTICIPATING REMOTELY: Trustees Magovern, Neves, Queenin, and Williams

Dr. Ramon S. Torrecilha, President of Westfield State University, was also participating remotely.

The meeting was called to order at 9:52 AM by Committee Chair Boudreau.

MOTION made by Trustee Martin, seconded by Trustee Landrau, to approve the minutes of the December 11, 2019 meeting.

ROLL CALL VOTE taken:

Trustee Alvarado	Yes
Trustee Boudreau	Yes
Trustee Landrau	Yes
Trustee Martin	Yes
Trustee Martinez-Alvarez	Yes

Motion passed unanimously.

At the request of Committee Chair Boudreau, Mr. Taksar brought forward the following items for information.

Associate Director, Risk Management Position. There was not a strong pool of candidates for this position and no one with relative risk experience applied. Given what is happening on campus with COVID-19, the recommended approach is to put this position on hold until more is known about the FY21 budget. This will be an ongoing conversation once the landscape is known for the fall.

Internal Controls. This was added to the agenda because of the recent cyber security loss of \$1.75 million of state funds. This is an ongoing investigation, so it cannot be commented on, but the following was shared:

- Internal procedures have been evaluated and updated regarding wire transfers and managing vendor data.
- Changes in procedures for appropriate management approval of vendor databases and disbursement of funds have been made.
- Auditors have been requested to review internal procedures to assure they offer safe practices in the industry. Cyber threats are nonstop and getting more intense.
- All but \$10,000 was recovered and the Massachusetts State College Building Authority (MSCBA) provided us with the remaining \$10,000, so the full amount was received back.
- Mr. David Dilulis of O'Connor and Drew stated that as part of the internal control review they will look at the changes made to the procedures and if further investigation is required, that would be a separate engagement.

Discussion moved to the audit firm selection.

MOTION made by Trustee Boudreau, seconded by Trustee Alvarado, to engage the accounting firm of O'Connor and Drew, P.C. for FY20 audit services.

Discussion: Mr. Dilulis introduced the new audit manager, Mr. Zach Laflash, CPA, a graduate of Westfield State. The year-end planning tentatively scheduled for the first week of June will include internal controls, all cycles, and EFT policies. They will return in August to finish the work. The state has not announced whether they will be postponing the October 15 deadline for the audit submission. A single audit engagement is being provided this year and the engagement letter is very similar to previous letters. It was asked if anyone was aware of any fraud besides the cybersecurity issue. There was none. Performing the audit remotely should not be an issue. They have a secure ShareFile and Dropbox to transfer documents to and from the University.

ROLL CALL VOTE taken:

Trustee Alvarado	Yes
Trustee Boudreau	Yes
Trustee Landrau	Yes
Trustee Martin	Yes
Trustee Martinez-Alvarez	Yes

Motion passed unanimously.

There being no further business, **MOTION** made by Trustee Martinez, seconded by Trustee Landrau, to adjourn.

ROLL CALL VOTE taken:

Trustee Alvarado	Yes
Trustee Boudreau	Yes
Trustee Landrau	Yes
Trustee Martin	Yes
Trustee Martinez-Alvarez	Yes

Motion passed unanimously.

Meeting adjourned at 10:10 AM.

Attachments presented at this meeting:

- a. Draft Minutes of December 11, 2019 Audit Committee Meeting

- b. Motion – FY20 Audit Firm Selection
- c. Engagement Letter